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capital and time legitimately and who ought not to be made to bear alone the burden of an unforeseen governmental requirement which is needed to win the war, and is, therefore, of the utmost use to all our people.

However costly such compensation may be, I believe that careful analysis and experience will show that it will result in a net gain to all concerned. With this measure of justice added to the inherent patriotism of our people, the cry of "Business as Usual" will wholly disappear and be replaced by "Winning the War for Lasting Peace—Our Only Business."

THE MAINTENANCE OF LABOR STANDARDS

BY J. W. SULLIVAN,

American Federation of Labor.

However brief, any discussion of standards of wages, hours and work-place conditions would be incomplete without some consideration of the economic influences determining those standards. It may not be difficult to form an abstract opinion as to the lowest general level which standards ought to reach, but there will remain the trouble of particulars.

That in practice there should at least be a living wage, general sentiment will usually concede, but discussion by the buyers and sellers of labor power will grow heated as to the point at which the wage rate falls below the living line as well as to the point at which the wage must mount with the profits of the employer and the skill, habit and expectation of the various classes of wage-workers concerned.

The hours of the workday in any occupation, civilized society holds, should not be so long as to wear out working men, women or children, but while physiologists, and sociologists in general, bring forward facts to show that the eight-hour day in the course of the year results in fewer accidents, a larger output from the factory, and a less general wear and tear on the workers, the arguments supporting these points do not deter a large body of employers from insisting upon the ten or twelve-hour day.

Work-place conditions may be studied, either with the purpose

of making them fair from the union point of view or of improving them through the benevolence of welfare effort, yet on the whole there may remain serious neglect by employers of industrial and structural safety, fire prevention, injurious exposure to dust and fumes, and the baneful effects of bad sanitation. Neither reasoning as to social good nor agreement on ideal standards succeed in practical application as against the contrary influences of unfavorable economic factors.

In all industry, second to the production itself, the factor most important in settling standards is the supply of labor. That part of the employed class having a voice in the social management of labor—the organized—strives to prevent competition when there is a surplus. The employer bent upon breaking down standards established by trade unions finds reasons for doing so both when there is an oversupply and a scarcity. So far as he can, when there is a surplus, he plays the unemployed against the employed, and when there is a scarcity or alleged scarcity he pleads it as an excuse for opposing established union regulations and suspending protective labor laws, for cheap labor he must have and there is a reservoir of it in young children, poor women and half-taught mechanics.

A year ago the Council of National Defense and its Advisory Commission jointly approved of a resolution relating to labor standards that had been adopted by the Executive Committee of the Council's Committee on Labor, which found it necessary ten days afterward to issue an amplification of the terms of that resolution. In the words of the resolution, the call upon the council was to "issue a statement to employers and employes in our industrial plants and transportation systems advising that neither employers nor employes shall endeavor to take advantage of the country's necessities to change existing standards." In the amplification, it was believed "that no arbitrary change in wages should be sought at this time by either employers or employes through the process of strikes or lockouts without at least giving the established agencies, including those of the several States and of the Government, and of the Mediation Board in the transportation service, and the Division of Conciliation of the Department of Labor in the other industries, an opportunity to adjust the difficulties without a stoppage of work occurring."

These expressions of the Council of Defense had some good effects, but strikes and lockouts occurred during the year and serious

apprehension of them continued to be entertained. New declarations of duties under the war emergency, and extended machinery by which the duties might be carried out, were called for. After conferences by officially appointed representatives of wage-payers and wage-workers, the President this month approved of the creation of a National War Labor Board and outlined its powers and duties. As recommended by the conferees, the first principle to be observed, applicable "in fields of production necessary for the effective conduct of the war, or in other fields of national activity in which delays or obstructions might affect detrimentally such production," was, "There should [should—not shall] be no strikes or lockouts during the war." While recourse for conciliation and mediation was to be had mainly through the machinery of the Department of Labor, the same as under the resolution of the Council of Defense of a year ago, the rights of the two sides were more explicitly recognized and the powers, methods and functions of the new board were fully described.

In substance, the main objective, the foundation principle, in the action on the matter of standards by the Council of National Defense of a year ago and by the War Labor Conference Commission of this year was the same, "There should be no strikes or lockouts during the war." The year has witnessed no change in the principle, though more minutely described provision is now made for the mechanism of its operation. Improvement may be expected through the largely increased functions of the Department of Labor and its connections throughout the country, and of the railroad and other labor commissions now established, but experiences of the year justify a suspension of entire confidence in every probability of faithful observance of the principle by those employers who have been accustomed to seek profit in either labor surplus or labor shortage and to oppose the standards of organized labor.

From the principle that there should be no strikes or lockouts arise obligations to both the sides immediately concerned. The first obligation is to acknowledge clearly the principle in the words in which it was formulated. Then that principle imposes on the employers the obligations, first, of maintaining at least the level of pre-war real wages; secondly, of restricting the hours of the workday, especially for women and children, to a duration which will not result finally in social injury; and thirdly, of establishing the work-

shop conditions now commonly recognized as requisite for human beings.

The last year has its lessons in respect to evasion of these obligations. To begin with, the principle, "There should be no strikes or lockouts during the war," as announced to the American public in the press publication of the resolution of the Council of National Defense, was distorted in many newspaper headlines by variation on the words "Gompers Promises There are to be No Strikes During the War." The twist thus given to this step for industrial peace gave discouragement to the organized wage-workers and hope to the employers opposing them. The opposition employers' army of manœuvre, whose leaders build up influences intended to bear finally upon standards, were given a good start in a new attack on the standards already established, largely through the trade unions. Of course President Gompers would not and could not make the promise attributed to him, but it took months of explanation in many interviews and much printed matter to set aside the erroneous interpretation of the Council's action and labor's agreement therewith.

The next and most important manœuvre of the Black Horse Cavalry of the employers was to impress upon the general public the belief that there was a scarcity of labor and hence a necessity, on the score of patriotism, to suspend laws and customs protective of labor, including the labor of women and children. Editorial articles innumerable were published assuming the labor shortage, usually containing no facts in proof of the assertion.

The industrial labor supply situation was, in brief, this: there was some scarcity in branches of production having their origin through the war and in districts drawn upon by munition plants or army and navy construction work, reducing in certain regions the average yearly general unemployment, but at the same time there was an enormous country-wide displacement of labor in occupations detrimentally affected by the war. An unjustified farmers' labor panic was spread over the country as a sequence of the shortage cry, a situation speedily followed by preparations for supplying farm labor made by the Departments of Labor and Agriculture, by state and municipal labor and other agencies and by numerous local organizations which adopted methods suitable to the emergency. In so far as any operators of general farming reduced their working

acreage as a result of that panic it was due to the false or exaggerated alarm of labor shortage, the promoters of which in that work gave help to the Kaiser.

In some dark corners of the woods the impression still prevails that there is throughout the country an insufficient industrial labor supply. The continued scarcity of labor agitation was accompanied by demands from employers, singly or in groups, for the abandonment of the eight-hour workday; for the suspension of laws relating to working hours of women and the working age of children; for the employment of women in men's occupations, and for a widespread dilution of skilled by unskilled labor. For a time many employers seemed to think it was only necessary to apply to the Council of National Defense for a removal of legal labor restrictions to have the request granted. Bills for the suspension of labor laws were introduced in the legislatures of several of the leading industrial states—New York, Massachusetts, Connecticut, Illinois. But eventually the fact of the persistent unemployment and distress among hundreds of thousands of the wage-workers of the country could not be gainsaid. The employers' army of manœuvre on that point at last failed.

Another move was the assumption that a *status quo* had been agreed upon in the resolution of the Council of National Defense, with the interpretation that among other activities organization should be suspended by the trade unions. No such term occurred in the resolution or its amplification; no such thought was expressed when either was considered in the Committee on Labor; and no such idea was accepted by the trade unionists. In joint meetings since, wage-workers have been obliged many times to convince the wage-payers' representatives of these facts.

Under their *status quo* thrust it was taken for granted by anti-unionists that there was to be no attempt by unionists at organizing non-unionists or at employing the usual methods for making effective any demands for union standards. The trade unionists were obliged to put an end to these claims.

There are to be noted other modes of attack by the anti-union employers who have steadily assailed organized labor at various points on its front lines. At the present moment there is clamor for the conscription of the labor of the towns to be seen "idling" at the places where young men who are not members of clubs congregate.

The fate of these men is hard; their community, which does not provide them with work, threatens to punish them for having no work. There is also a "must work" movement, effective through statutory law. The state, which provides no work, tells the citizen that he must report weekly that he has worked. "No strike" laws are debated in the legislative bodies. He who has had no work, but who has been obliged by law to work, must surrender his right not to work, no matter how intolerable the conditions. When certain union carpenters recently found work in shipyards they were refused employment, and when their proper official demanded that shipyards should not be closed to union men, the press speedily made him an unpopular national character. Then the President appointed him on the War Labor Board, wisely.

The "turnover" and the "try-out" statistics of the last year are astounding. The wage-worker who cannot find work at his own occupation and has been hastily turned over and heartlessly tried out a dozen times at strange and difficult work, often with no shelter and on Chinese grub, and who has spent his savings travelling from place to place seeking work, and finally goes to his home town to feed up, is told he ought to be conscripted or be made to report to the authorities that he has done the week's work he could not find, or he ought to go to jail.

The fight against union labor in the courts has continued. Against dissenting opinions the principle has recently been established by a court decision that employers may take away from workers the right to associated action; that wage-payers may declare that wage-workers cannot obtain employment unless they sign away their legal and social rights; and that when workers sign away these rights the right of association is barred them forever.

These are mere glances at some of the economic influences which bear upon established standards. Anti-union employers are interested in creating or strengthening those influences, to which in the end, if they prevail, fair employers in general must give way.

It is well for this country that our government in its wisdom has decided to accept for its work the standards, and their interpretations, that are quite uniformly upheld by those whose lifework includes a study of the welfare of mankind, and not the standards of those to whom the labor question is subordinate to the declaration of dividends.

Public clamor is daily stirred up against the strike. It is only reasonable to recall to mind, once in a while, the injustices, the hostilities of opponents, the acts bordering on treason, which drive organized labor to that last resort, the strike.

No other plan for the stimulation of labor efficiency equals fair treatment of the wage-worker. The American workman may be trusted to do his best when justly paid, when not "all in" two hours before quitting time, and when his employment is in a tolerable environment. Give him these desiderata and he needs no preaching on his duties. He will join heartily in studies of reasonable efficiency, he will on call jump into the trenches or tackle the worst job in any unavoidable heat, dirt, noise or danger. He will heartily join the lookers-on in the shouting not only for patriotism but for industrial peace.

PROBLEMS IN INDUSTRIAL MOBILIZATION

By H. G. MOULTON,

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The war has developed no more interesting and no more perplexing problem than that of the non-essential industry. From the very beginning two schools of thought have vied with each other: the one has urged that if we are to prosecute the war successfully we must practice the most rigid economy, not so much for the purpose of enabling us to buy bonds and pay taxes as to release the labor power and the machine power ordinarily devoted to the production of non-essentials and to enable such productive energy to be diverted to the creation of the indispensable materials of war. The other school has contended that, while some readjustment of industry is doubtless inevitable, such readjustment should be reduced to a minimum in order that the wealth-producing capacity of the country may be adequate to the requirements of war finance. It appears like an axiom to people in this group that since taxes must be levied and liberty bonds purchased, the more *all* businesses prosper—pay good wages and yield large profits—the more effectively will the nation be able to pay the cost of the conflict. The membership of the first group consists of the United States Treasury Department and most